

PURCHASED GAS ADJUSTMENT

COMPANY NAME PIEDMONT GAS CO.

GAS COST RECOVERY RATE CALCULATION

PARTICULARS	UNIT	AMOUNTS
EXPECTED GAS COST (EGC)	\$/MCF	5.1295
SUPPLIER REFUND AND RECONCILIATION ADJUST. (RA)	\$/MCF	0.0000
ACTUAL ADJUSTMENT (AA)	\$/MCF	0.5155
BALANCE ADJUSTMENT (BA)	\$/MCF	(0.0225)
GAS COST RECOVERY RATE (GCR)=EGC+RA+AA+BA	\$/MCF	5.6226

GAS COST RECOVERY RATE EFFECTIVE DATES: DEC.1, 2003 TO FEB. 29, 2004

EXPECTED GAS COST SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNTS
PRIMARY GAS SUPPLIERS EXPECTED GAS COST	\$	1419627.7437
UTILITY PRODUCTION EXPECTED GAS COST	\$	0.0000
INCLUDABLE PROPANE EXPECTED GAS COST	\$	0.0000
TOTAL ANNUAL EXPECTED GAS COST	\$	1419627.7437
TOTAL ANNUAL SALES	MCF	276756.1340
EXPECTED GAS COST (EGC) RATE	\$/MCF	5.1295

SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNTS
CURRENT QUARTERLY SUPPLIER REFUND & RECONCIL. ADJ.	\$/MCF	0.0000
PREVIOUS QUARTERLY REPORTED SUPPLIER R.& R.	\$/MCF	0.0000
SECOND PREVIOUS QUARTERLY REPORTED SUPPLIER R.& R.	\$/MCF	0.0000
THIRD PREVIOUS QUARTERLY REPORTED SUPPLIER R.& R.	\$/MCF	0.0000
SUPPLIER REFUND AND RECONCILIATION ADJUST.	\$/MCF	0.0000

ACTUAL ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNTS
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF	0.0010
PREVIOUS QUARTERLY REPORTED ACTUAL ADJUST.	\$/MCF	0.4360
SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUST	\$/MCF	0.0691
THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUST.	\$/MCF	0.0095
ACTUAL ADJUSTMENT (AA)	\$/MCF	0.5155

BALANCE ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNTS
BALANCE ADJUSTMENT AMOUNT		(2633.1667)
JURISDICTIONAL SALES FOR QUARTER		117190.2270
BALANCE ADJUSTMENT (BA)		(0.0225)

RECEIVED
OCT 30 2003
GAS & WATER DIVISION